Division of Consumer Affairs

News Release

State Reaches Tentative Settlement Agreement with America Online FOR IMMEDIATE RELEASE

January 29, 1997

If you are an America Online customer who has had trouble connecting with the Internet service, you may be eligible for a refund.

The Tennessee Attorney General's Office and Tennessee Division of Consumer Affairs have joined 35 states in a settlement agreement in principle with America Online over the company's alleged failure to provide adequate access to users.

Consumers have lodged thousands of complaints nationwide after signing up for America Online's Aunlimited access program because they were sometimes unable to connect to the Internet service. The company heavily promoted its new Aunlimited access program for \$19.95 per month. Customers, however, often encountered busy signals, in some cases for several hours, when trying to connect with the Internet service.

As part of the settlement, America Online has agreed to refrain from advertising until it can maintain sufficient service for its customers unless it clearly explains to customers the problems the service has had in providing service since it began the ne w Aunlimited access program.

The Attorney General's Office and Division of Consumer Affairs encourage consumers who have had problems with the service to consider taking advantage of this opportunity for a refund and to contact the Division of Consumer Affairs with their concerns about AOL service.

Customers who want to cancel their America Online service can do so by calling 1-800-827-6364 or by faxing their request in writing to 1-801-622-7469. Tennessee subscribers who are unsuccessful getting through to the 800 number or fax number may request c ancellation by calling the Tennessee Division of Consumer Affairs at (615) 741-4737 or 1-800-342-8385.

AThe tentative agreement is a step in the right direction by refunding some money to consumers, said Mark Williams, director of the Tennessee Division of Consumer Affairs. AHowever, it does not relieve the problems and frustrations that consumers are havi ng and will continue to have by constantly getting busy signals.

If you do not want to cancel, you may instead obtain a month's credit; i.e., you would receive one month's service at no charge. You may request your month's service at:

America Online P.O. Box 1600 Ogden, Utah 84401

The State's tentative agreement with AOL requires that the company offer customers a refund as an alternative to the credit. Refunds for December, 1996 and January, 1997 are available according to the following schedule:

\$19.95 Unlimited Access Plan Less than 2 hours of usage = Full Refund 2-8 hours of usage = 50% Refund 8-15 hours of usage = 25% Refund

\$9.95 Metered Access Plan
Less than 1 hour of usage = Full Refund
Between 1 and 3 hours of usage = 50% Refund

\$4.95 Metered Access Plan
Less than 1 hour of usage = Full Refund
Between 1 and 2 hours of usage = 50% Refund.

To obtain a refund, write your request to America Online within 120 days and explain any access problems you may have experienced during December, 1996 and January, 1997. If you cannot get through to AOL, contact the Division of Consumer Affairs at 500 Ja mes Robertson Parkway, 5th Floor, Davy Crockett Tower, Nashville, TN, 37243-0600.